

2016 Cape May County Tourism Report

Measuring Tourism Growth



Cape May County
Department of Tourism
Diane Wieland, Director
May 5, 2016



2015 Cape May County Tourism Expenditures

NJ Travel and Tourism Report, *Tourism Economics*, Adam Sacks, President

<u>Lodging</u>	<u>Food/Bev</u>	<u>Retail</u>	<u>Recreation</u>	<u>Trans</u>
\$2,359.5 Billion	\$1,365.5 Billion	\$1,216.8 Billion	\$708.3 Million	\$390.9 Million

Total = \$6,041.0 Billion in direct tourism expenditures

- 4.3% increase over 2014 (\$246.9 million)
- Second in the state in tourism expenditures.
- Rental Income of \$1.98 Billion
- Increase by sector over 2014
 - Lodging up 3%
 - Food & Beverage up 6%
 - Retail up 5%
 - Recreation up 6%
 - Transportation up <1%
 - Rental Income 2%



Employment Supported by Tourism

- Tourism Employment represents 56.6% of total county private employment
 - Direct Impact 25,884
 - Total Impact 36,369
- In 2015, the tourism industry directly supported 318,330 jobs in New Jersey and sustained more than 512,000 jobs including indirect jobs.
- Including all impacts, the industry accounts for 9.9% of total employment or nearly 1-in-10 jobs in New Jersey.



Tourism State and Local Taxes

- State and Local Tax Receipts

- \$533.8 million
- 2.3% increase (\$16,600)
- \$1.46 million per day
- 11.2% of total Share of State



- Each household in New Jersey would be taxed an additional \$1,490 per year to replace the tourism taxes received by state and local governments.
- Leisure tourism represents 90% of tourism industry sales in NJ.
- Overnight visitors to NJ spent \$37.0 billion; 90% of the total.

Occupancy Tax

(source: NJ Treasury & Tourism Economics)

● Occupancy Tax Collected in 2015

- \$9,542,625
- 8.9% increase over 2014
- Occupancy Tax for 2016 up
- (Jan & Feb) is up over 2015.



- NJ Visitor volume numbers grew by 2.4%.
 - 95 million visitors to NJ to 2015
 - 12.5 million visitors to Cape May County
- Summer hotel bed taxes expanded 8% in shore counties.
- Spending was constrained due to the continued decline of casino gaming.
- Leisure visitation led overall market growth in the state with overnight leisure trips growing 2.6%.
- 2015 saw growth in all visitor purpose sectors but overnight business.



Visitor Profile

- 82% - Visitor Return Rate
- 14% - First Time Visitor
- 85%- Conversion Rate (Requested and came)
- 27%- Travel as a couple (party of 2)
- 42%- Travel with Family (more than 2)
- 19%- Travel w/Extended Family
- 7% - Travel w/Friends
- 76% - Take more than one vacation a year
- 8% - Day trip
- 21% - Stay 2-4 days
- 20% - Stay 5-6 days
- 26% - Stay 1 week
- 23% - Stay longer than a week
- 21% - Spend under \$1000
- 31% - Spend between \$1,000 & \$2,000
- 19% - Spend between \$2000 & \$3000
- 23% - Spend more than \$3000

Top Markets

New Jersey – 28%
Pennsylvania – 27%
New York – 19%
Canada – 9%
Maryland/DC – 7%
Other – 10%

Age

Under 34 – 6%
35 – 44 – 14%
45 – 54 – 23%
55 – 64 – 35%
65 + – 20%

Travel Season

86% - Summer
29% - Spring
43% - Fall
17% - Winter



Oh Canada!

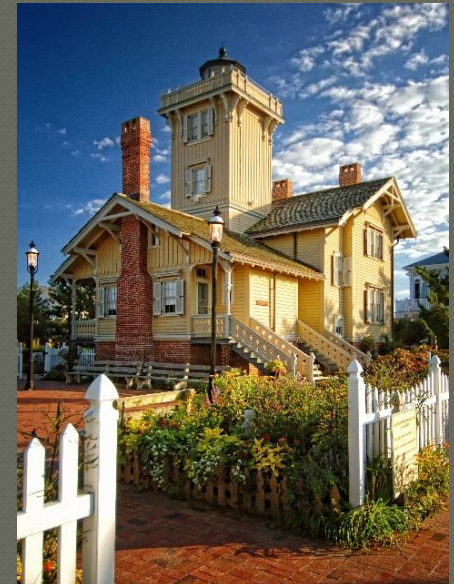
- The Canadian dollar is fluctuating between 78 and 80 cents, today is at 79 cents. It has gone as low as 65 cents in the 90s.
- The rate has played a huge factor in the past 48 years in managing the marketing efforts in Canada.
- Canadians from the PQ spend \$38.8 million and represent 418,800 overnight stays.
- A discount program supported by the business community is being advertised through the Department's marketing campaign.
- 9% of our visitors to CMC are from Quebec.
- Air Canada flights from Toronto were canceled after the first year.
 - 42% of air passengers went to Cape May County.
 - Average stay in Cape May County was 9 days (6 day average for AC)
 - Canadians staying in Cape May County spent \$1,411 (\$1,363 in AC)
- We will continue to support our marketing efforts in Canada, knowing that this too will pass.
- CAA Touring; CAA Facebook; Rouge FM & NRG Radio, FAMs

What do they do when they get here?

● BEACH	93.5%
● SHOPPING	83.2%
● RESTAURANTS/DINING	91.8%
● CULTURAL/HISTORIC ATTRACTIONS	45.9%
● BOARDWALK	66.4%
● ECO/NATURE BASED ACTIVITIES	24.8%
● BIRDING	11.3%
● FISHING/BOATING	28.6%
● GOLFING	12.4%
● WATER SPORTS	27.5%
● WINERIES	38.9%
● CAMPING	6.4%
● ZOO	42.1%
● ART EXHIBITS/THEATHER	15.1%
● RELAXATION	65.9%

Top Tourism Trends for 2016

- Beach Vacations top the list – 93.5% of CMC visitors went to the beach.
- Wellness Travel – More than ever, travelers are looking for healthy choices in eating and activities. This is more than spas, yoga and meditation, they want to incorporate exercise in their activities – 10,000 steps!
- Visiting National and State Parks - This year marks the 100th anniversary of the National Park Service
- Culinary Tourism
 - Farm to Table
 - Local produce and products
 - Jersey Fresh Seafood and Farm Products
- Cultural/Heritage Tourism is one of the fastest growing segments in the tourism industry.
 - Making our history their history.
 - Going back to our roots – Agriculture and Fishing
 - Connecting the dots – Timeline of U.S. History



Identifying Emerging Trends

● Multi-Generational Travel

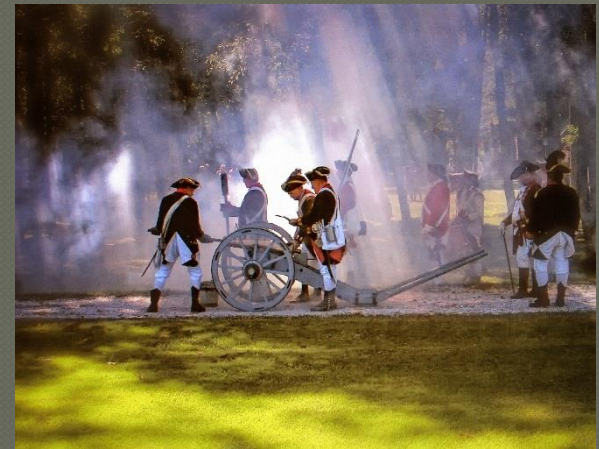
- 1 in 5 of our visitors are traveling with two or more generations.
- 66% come because they consider County as 'Family Oriented'.
- 36% have been vacationing in Cape May more than 20 years.
- Survey comments include –
 - family tradition
 - have been coming since I was a child
 - family reunion “down the shore”
- Why are they traveling with extended family?
 - Limited funds, proximity or vacation time makes seeing relatives the most common reason for a summer trip.
 - The time-pressed boomer generation must see both their parents and their children during limited vacation periods.



More Trends in CMC

● Fall and Winter Travel

- 43% came in the Fall – 40% in 2014
- 17% came in the Winter – 14% in 2014
 - Special Events
 - Life Celebrations
 - Holidays
 - Sports event



● Heritage Travel

- Local Experience – 47% of visitors want to become immersed in a culture and experience local attractions and foods.
- Average Age of visitor – 38 to 42 years old
- Average Income - \$89,490
- 45.2% of our Visitors participated in a Cultural/Historic attraction.
- 38% of our visitors come for Special Events.
- 22% of our visitors spend more than \$3000 while on vacation.
- 43% of our visitors return in the Fall.

Eco/Agri Tourism ... the next best thing is here!

- Eco/Agri Tourism is the fastest growing tourism segment in the world, with Birding top on the list.
- Nature based tourism is expanding our season redefining our brand.
- Bird/Butterfly migration attracts year round generating \$670 million in 2015.
- Eco Tourism generates \$465 per person per trip.
 - There were 1.37 million eco based trips to Cape May County in 2015.
- Wineries, Breweries and Distilleries are opening the County to a new visitor base and also expanding the season.
- Agri or Culinary Tourism is on the rise and gives visitors a reason to return. Foodies are everywhere!



Reaching your target audience

- Social Media is here to stay - Many of our visitors want their vacation information via traditional and social media.
- 44% of Internet users get their vacation info online.
- 37% of prefer researching vacation info via Internet/websites.
- 32% prefer receiving their vacation info via direct mail.
- The fastest growing segment of Facebook users are Baby Boomers.
- 87% of adults age 18-35 use Facebook.
- 85% of Millennials own and use smart phones to get their news and information.
- 23% of adult Internet users follow Twitter.
- 31% of adult Internet users also use Pinterest.
- 28% of adult Internet users also use Instagram.



Adding Millennials to the Mix

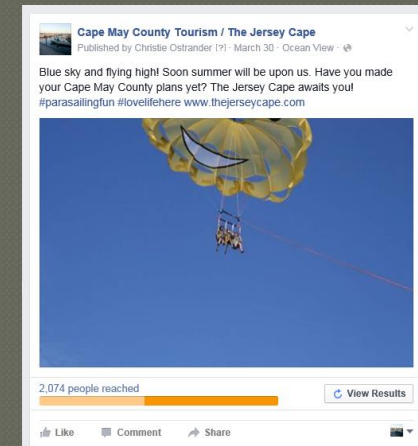
- Millennials (18-34) have surpassed Baby Boomers as the nation's largest living generation. (75.4 million vs. 74.9 million) and they are inseparable from their smart phones.
- Millennials thrive on Social Media - if you are not part of it you don't exist.
- Social media is the dominant way this demographic learn about things online.
- Facebook and Twitter rank higher than search engines for content discovery.
- Likers, Sharers, and Content Creators
- Social Media —*#wehaveitall* *#thejerseycap*
 - Facebook
 - Twitter
 - Instagram
 - Digital Ads



Digital Marketing in use

● Dot.com Phenomenon

- Traditional Media outlets are all moving to the digital platform
- Digital Ad Campaign funded by a \$22,500 CMP Grant by the NJ Division of Travel and Tourism
- Tourism Digital ads include the following:
 - Comcast.com
 - NJ.com
 - Phila.com
 - AAA.com
 - GuestQuest.com
 - TripAdvisor
 - CAA.com
- Coastal Digital Solutions
- Townsquare Media
- Department of Tourism Staff



2016 Digital Ad Campaign

Ocean City, Sea Isle, Avalon,
Stone Harbor, Cape May
The Wildwoods

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Tourism Demographic Acronyms

- **MAMIL** - "middle-aged man in lycra". Biking is becoming more popular for this generation than golfing. More men 50 plus are taking bikes on vacation rather than golf clubs. Buying an expensive road bicycle has been described as a more healthy response to a midlife crisis than buying an expensive sports car.
- **MOCA** - 'Men of a Certain Age' (50+), are an up and coming market. They are interested in new adventures, travel to unique places, and doing things they haven't done before. Key sources of MOCA travelers include the U.S. (12,500 people turn 50 every day)
- **WOCA** –Women of a certain age. Also 50+ who are looking for new adventures that include 'girl getaways' for shopping, spa/wellness experiences and cruises. More ladies are taking golf clubs on vacation.
- **PANK** – Professional Aunt, No Kids
- **DINK** - "Dual Income, No Kids"
- **DINKER** - "Dual Income & No Kids, Early Retirement
- **SITCOM** - "Single Income, Two Children, Oppressive Mortgage.